A R M Y
ACQUISITION REFORM

Issue 59 30 June 1997

Army Conducts Workshop on
Modernization Through Spares

The Missile Command hosted a workshop on ***Modernization Through Spares (MTS)*** on May 28 and 29, 1997 at Redstone Arsenal, Alabama. The objective of the workshop was to examine the status of the MTS program and its synergistic effects when combined with other acquisition reform initiatives. Over 350 members of the PEO, contractor, logistics and acquisition community discussed the most recent MTS directives, policies and lessons learned. Several breakout sessions offered an opportunity to discuss the many facets of MTS, a program initiated in January 1996 to respond to the reality that the Army would not have sufficient funds in the future to adequately modernize its major weapons systems. MTS provides a means to leverage the billions of dollars spent annually on spare parts in order to accomplish technological upgrades and achieve this much needed modernization. MTS means no longer buying spare parts based on outdated specifications and TDPs, but rather to base the procurements on performance specifications to take advantage of newer designs and manufacturing technologies. Using this approach, MTS will not only modernize the components and spare parts, but incrementally the performance and reliability of the end items will be also enhanced.

A Communications-Electronics Command program that successfully initiated upgrades using the MTS concept is the **AN/PPS-5, Ground Surveillance Radar**, a 35 year old system which has not been upgraded since the 1970's. It contains over 150 spare parts, many of which are obsolete. The modernization effort will reduce the number of spares to less than 15 and will improve the capabilities of the system. Of the 15 spares for the new version, all but two are Commercial-Off-The-Shelf (COTS)/Non-Developmental Items (NDI). All new spares are being delivered in Intelligent Data format which will prevent obsolescence from becoming an issue and aid in the prevention of sole source commitments. The cost to perform this upgrade will be approximately $15 million. The best known commercially available system would cost over $100 million to re-equip the entire DOD. Additional benefits of the upgrade are an open architecture design, improved maintenance concept, software driven system training requirements, and reduced logistical costs. By combining this effort with the I-REMBASS program, other benefits gained are commonality of assets, training and logistics support as well as common collection of detection data in the field.